



Staff Report for Committee of the Whole Meeting

Date of Meeting: December 4, 2017

Report Number: SRPRS.17.177

Department: Planning and Regulatory Services
Division: Development Engineering and Transportation

Subject: **SRPRS.17.177 Smart Commute Governance and Funding Source Update**

Purpose:

To provide an update on Smart Commute Markham Richmond Hill's governance transition, to request authority to change the program's funding source, and to seek approval for annual funding of the Smart Commute program.

Recommendation(s):

1. That Staff Report SRPRS.17.177 be received;
2. That Council approve the 2018 funding of \$50,000 for Smart Commute Markham Richmond Hill from Town-wide Engineering Development Charges; and
3. That \$50,000 be included annually in the Development Engineering and Transportation Division's 10-year Capital Budget beyond 2018, funded from Town-wide Engineering Development Charges.

Contact Person:

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Report Approval:

Submitted by: Kelvin Kwan, Commissioner of Planning and Regulatory Services

Approved by: Neil Garbe, Chief Administrative Officer

All reports are electronically reviewed and/or approved by the Division Director, Treasurer (as required), Town Solicitor (as required), Commissioner, and Chief Administrative Officer. Details of the reports approval are attached.

Background:

Smart Commute is a program of Metrolinx and the municipalities of the Greater Toronto and Hamilton Area (GTHA). The program delivers workplace engagement programs to promote more sustainable commute choices (i.e., transit, carpooling, cycling and walking).

Smart Commute Markham Richmond Hill was formed in 2004—with Richmond Hill as a founding partner and participant—to address traffic congestion in Richmond Hill and Markham. It is currently the largest of 13 Smart Commute Transportation Management Associations in the GTHA, with 55 participating employers, as highlighted in Attachment A.

This report provides an update on Smart Commute’s governance transition, requests authority to transfer the Smart Commute program’s funding source, and seeks annual funding of the program.

Transportation demand management has an ongoing role in a growing GTHA

“The Big Move”, Metrolinx’s Regional Transportation Plan for the GTHA, highlights the region’s increasing dependency on the private vehicle. The plan included an action to encourage private sector employers to implement transportation demand management (TDM) programs to reduce peak period travel demand or redistribute this demand across space or time. A typical first step for employers in implementing such programs is participation in Smart Commute.

The Growth Plan for the Greater Golden Horseshoe also identifies TDM as a necessary component of a strategy to promote economic development and competitiveness and encourages upper-tier municipalities, in consultation with lower-tier municipalities, to undertake a coordinated approach to TDM in employment areas.

As Richmond Hill and neighbouring municipalities grow, pressure builds on the transportation network to provide a reliable means of commuter travel. In this context, and from both a health and sustainability perspective, municipalities and employers have mutual interest in shifting commuter behaviour to more sustainable transportation options.

For individual commuters, apart from travel time, key factors affecting their choice of travel to and from work (e.g., perceptions of safety, convenience, comfort and predictability, speed of travel) are frequently changing. In addition, residents continue to indicate a need for ongoing communication of travel options.

As part of Metrolinx’s Regional Transportation Plan update process, a reference panel of GTHA residents was established to gain feedback on these key needs and drivers that affect choice. One of the panel’s recommendations was that Metrolinx and its partners enhance public awareness, communication, and promotion of transportation

options. Commuters—given a range of choice—must be made aware of changing travel options to increase the likelihood of selecting more sustainable travel modes.

Smart Commute Markham Richmond Hill is valuable for addressing local transportation demand management issues

Council discussion of Smart Commute's 2017 Annual Report (Staff Report SREIS.17.009) brought about a request by Council to review Richmond Hill's present and future need for Smart Commute Markham Richmond Hill programming.

Smart Commute is the leading GTHA program furthering TDM to reduce traffic congestion, promote sustainable transportation and improve members' employee retention. As the largest of the 13 GTHA Smart Commute associations, Smart Commute Markham Richmond Hill works with 55 corporate members representing over 65,000 employees.

Recent GTHA workplace commute travel figures demonstrate the value for Smart Commute members and funders as well; 57% of Smart Commute workplace commute trips involve single occupant vehicle travel, compared to 68% for the entire GTHA. Attachment B provides further analysis by Metrolinx of Smart Commute's value.

Sustainable commute options within York Region and surrounding municipalities continue to evolve to address the needs of commuters. Regional and local road construction budget pressures underscore the importance of providing and promoting the use of these sustainable options.

Smart Commute's move to a project-based approach that more closely aligns with municipal objectives ensures continued relevance, in this context, and clear value for Richmond Hill. Two 2017 projects of particular relevance, in this regard, are the Workplace Travel Planning project and the Car Share project, as described in Staff Report SREIS.17.009.

Smart Commute Markham Richmond Hill governance has transferred to York Region

In 2016, Metrolinx completed a comprehensive review of the Smart Commute program. As with other two-tier municipalities, governance of the Smart Commute program was subsequently transferred from Metrolinx to the upper-tier municipality, York Region, on January 1, 2017. There were no changes to Metrolinx funding levels, nor major municipal funding levels (i.e., York Region, Richmond Hill, and Markham). Metrolinx continues to provide programming and access to Smart Commute program tools.

The governance transfer is a move to align with and focus on localized needs. The Smart Commute program will now place greater focus on project-based activities that link workplace travel and demonstrated behaviour change. York Region will administer the program through its preferred delivery model, to increase flexibility and create

greater alignment with local and regional municipal objectives (e.g., supporting new infrastructure and development).

A change is recommended to Smart Commute's funding source

The governance transition provides the Town a juncture at which to reassess the funding source for its annual \$50,000 Smart Commute contribution.

As a strategy within the Strategic Plan's goal of *Better Choice in Richmond Hill*, and an action within the Pedestrian and Cycling Master Plan, to promote and enhance the Smart Commute program, Transportation and Finance staff have concluded that Town-wide Engineering Development Charges can be an appropriate funding source for the program.

Municipalities use development charges to pay for increased development-related capital costs arising from increased needs for services. The Smart Commute program represents a cost savings approach, as it educates corporate employees about more sustainable commute options to reduce congestion on the existing road network, and lessen demand for new capital infrastructure projects designed to increase the road system's auto travel capacity.

Of note, Smart Commute Markham Richmond Hill's other two major municipal funders, the Region of York and the City of Markham, both use development charges to fund the program. To be consistent with these jurisdictions and to lessen the tax levy burden, staff recommends that the annual Smart Commute funding source change from municipal property tax to Town-wide Engineering Development Charges.

Financial/Staffing/Other Implications:

This report recommends that Richmond Hill's annual funding contribution to Smart Commute Markham Richmond Hill remain at \$50,000, subject to annual Council approval.

This contribution would be approved for 2018, and that the same amount would be included annually in the Development Engineering and Transportation Division's 10-year Capital Budget, moving forward.

However, the funding source for Smart Commute Markham Richmond Hill will changed from municipal property taxes to Town-wide Engineering Development Charges starting in 2018 and moving forward.

Relationship to the Strategic Plan:

Richmond Hill's ongoing efforts to support TDM initiatives promote *better choice* (public transit and active transportation). Promotion and enhancement of the Smart Commute program is an explicit strategy within this goal.

Investment in Smart Commute—and the recommended funding source change—also align with the Town’s goal with respect to *wise management of resources*. Continued support of Smart Commute programming will optimize use of existing infrastructure and lessen the need for infrastructure investments; the funding shift will provide relief on tax burden.

Conclusion:

The governance transfer of Smart Commute Markham Richmond Hill from Metrolinx to York Region has prompted staff to re-evaluate the program’s funding source and to recommend a change from municipal property tax to Town-wide Engineering Development Charges. Council approval is sought for funding Smart Commute Markham Richmond Hill for 2018, using Town-wide Engineering Development Charges, in the amount of \$50,000, and for continual annual funding support for the program from this source.

Attachments:

The following attached documents may include scanned images of appendixes, maps and photographs. If you require an alternative format please call contact person listed in this document.

- Attachment A – Smart Commute Markham Richmond Hill Participating Employers
- Attachment B – Smart Commute Workplace Program Value

Report Approval Details

Document Title:	SRPRS.17.177 Smart Commute Update.docx
Attachments:	- SRPRS.17.177 Attachment A.pdf - SRPRS.17.177 Attachment B.pdf
Final Approval Date:	Nov 29, 2017

This report and all of its attachments were approved and signed as outlined below:

No Signature found

David Dexter - Nov 28, 2017 - 4:59 PM

Kelvin Kwan - Nov 29, 2017 - 8:50 AM

Neil Garbe - Nov 29, 2017 - 1:12 PM